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Chairperson: Ms. Ogwu ..... (Nigeria)
later: Mr. Hoppe (Vice-Chairperson) ..... (Germany)

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The meeting was called to order at 10.15 a.m.

Agenda item 47: Macroeconomic policy questions (*continued*)

(b) International financial system and development (*continued*) (A/C.2/63/L.9)

Draft resolution on the international financial system and development

(c) External debt and development: towards a durable solution to the debt problems of developing countries (*continued*) (A/C.2/63/L.7)

Draft resolution on external debt and development: towards a durable solution to the debt problems of developing countries

1. **Ms. Greenaway** (Antigua and Barbuda) introduced draft resolutions A/C.2/63/L.9 and A/C.2/63/L.7 on behalf of the Group of 77 and China, noting that they were procedural in nature and highlighted the importance for developing countries of a successful outcome of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, to be held in Doha from 29 November to 2 December. The Group of 77 and China was prepared to revisit macroeconomic issues in the light of the Committee's deliberations at the current session of the General Assembly.

Agenda item 48: Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the preparation of the 2008 Review Conference (*continued*) (A/63/345; A/C.2/63/5; A/C.2/63/L.19-23)

Draft decision on the arrangements and organization of work of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (Doha, 29 November-2 December 2008)

Draft decision on the provisional rules of procedure for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (Doha, 29 November-2 December 2008)

Draft decision on the provisional agenda for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (Doha, 29 November-2 December 2008)

Draft decision on the accreditation of intergovernmental organizations to the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (Doha, 29 November-2 December 2008)

Draft decision on the accreditation of non-governmental organizations to the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (Doha, 29 November-2 December 2008)

2. **The Chairperson** recalled the note by the Secretary-General on the proposed organization of work of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (A/63/345) and drew the Committee's attention to a letter she had received from the President of the General Assembly (A/C.2/63/5) containing the lists of intergovernmental and non-governmental organizations seeking accreditation to the Doha Review Conference, as agreed by Member States on a no-objection basis. In order to facilitate and expedite the preparatory work for the Doha Review Conference, he suggested that the Committee should take action as soon as possible on the proposals contained in the note by the Secretary-General, now in the form of draft decisions (A/C.2/63/L.19-23).

3. **Mr. Hoppe** (Germany), Vice-Chairperson, introduced draft decisions A/C.2/63/L.19-23, noting that they were purely procedural and based on documents that had been distributed previously. He encouraged the Committee to take action on all the draft decisions.

4. **Ms. Navarro Barro** (Cuba) requested clarification on the wording of the first sentence of rule 61 of the provisional rules of procedure for the Doha Review Conference. Did the right of specialized agencies and related organizations to participate in the deliberations of the Conference, the Main Committee or, as appropriate, any other committee or working group on questions within the scope of their activities, extend to making concrete proposals on the outcome document within the Main Committee, or was participation limited to attendance at meetings?

5. She also would appreciate clarification on the role of representatives of the World Bank, the International Monetary Fund (IMF) and the World Trade Organization (WTO). What exactly did the phrase "will be afforded special consideration" mean? While the three organizations played a major role in the follow-up process of the Monterrey Consensus, they were currently the focus of much debate on needed reform, which she hoped would be led by Member States. Even though the draft decision on the provisional rules of procedure (A/C.2/63/L.20) was procedural in nature, Member States should be fully aware of its implications, as the success of the Doha Review Conference would depend to a great extent on the procedures governing the negotiations.

6. **Mr. de Rojas** (Director of the Financing for Development Office, Department of Economic and Social Affairs) said that the draft decisions reflected proposals made by the Secretary-General for adoption by Member States, which were responsible for determining the final organization of work of the Doha Review Conference. The first sentence in rule 61 of the provisional rules of procedure was a traditional formulation and simply meant that the representatives in question would be able to participate in the discussions but would not be allowed to vote. On the other hand, the second sentence in rule 61 contained a possible ambiguity. He recalled that rule 61 had already been in place at the time of the International Conference on Financing for Development held in Monterrey. It had never been applied, because there had been no need for the Main Committee; however, the Doha Review Conference might prove different. The organization of work proposed by the Secretary-General was based on, inter alia, General Assembly resolution 62/187, paragraph 6, reaffirming the special role of the international financial and trade institutions. In practice, representatives of the specialized agencies and related organizations were allowed to attend meetings and make suggestions in informal discussions. He would welcome specific proposals by Member States if they wished to change the language of rule 61.

7. As for the special consideration to be afforded the World Bank, IMF and WTO, such wording referred to the physical presence of those organizations' representatives in the plenary meeting rooms. In line with the established practice at the International Conference on Financing for Development, each one was granted the same number of seats as Member States.

8. **Ms. Navarro Barro** (Cuba) said that although the World Bank, IMF and WTO clearly played an important role in financing for development, it was not appropriate for them to participate in the deliberations on an equal footing with Member States. The outcome document for the Doha Review Conference would likely not be finalized in New York, owing to a lack of time and consensus; therefore, the Main Committee would probably need to be established in Doha. The deliberations of the Main Committee were a delicate process, which should be led by Member States. Her delegation still had concerns about rule 61 and would like to review its implications thoroughly, together with other countries of the Group of 77 and China, and submit a clearer position or specific proposal to the Committee at a future meeting.

9. **Mr. de Rojas** (Director of the Financing for Development Office, Department of Economic and Social Affairs) said that a number of decisions relating to the International Conference on Financing for Development, held in Monterrey, had been taken by its Preparatory Committee; he would examine those decisions to discern the basis for the rules established at the time.

10. **Ms. Greenaway** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that she had taken note of the request by the Chairperson and the Vice-Chairperson for expeditious action on the draft decisions; however, she hoped that the Bureau and the other Committee members would give Member States adequate time to consider the draft decisions, given the importance of the Doha Review Conference.

Agenda item 52: Groups of countries in special situations

(a) Third United Nations Conference on the Least Developed Countries (A/63/77-E/2008/61 and A/63/284)

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (A/63/165; A/63/L.3)

11. **Mr. Diarra** (Under-Secretary-General and High Representative for the Least Developed Countries,

Landlocked Developing States and Small Island Developing States) introduced the report of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 (A/63/77-E/2008/61) and the note by the Secretary-General on the outline of the modalities of the Fourth United Nations Conference on the Least Developed Countries and its preparatory process (A/63/284). The report of the Secretary-General was based on 2006 data and thus did not reflect critical issues faced by the least developed countries in light of recent developments. The current global crises would most likely undermine such countries' prospects for sustained growth and poverty reduction. The international community could not afford to neglect the impact of the financial crisis on the least developed countries, which would be in the weakest position to respond to a global economic downturn and would be hardest hit by external shocks and commodity price volatility. Compounding the situation was the global food crisis, which was likely to exacerbate malnutrition, with adverse impacts on infant mortality and mortality of children under five years of age.

12. The Secretary-General's recommendations concerning, inter alia, short-term emergency assistance and integrated productive investments in the medium to long term could not be implemented unless development partners increased their financial investments, especially since the current economic slowdown was likely to reduce capital flows and remittances to the least developed countries.

13. Official development assistance (ODA) was critical to public finance in the least developed countries. Yet progress on ODA targets had been mixed, with very few donors on track to achieve targets by 2010. Failure to act swiftly on the part of the international community would seriously hinder progress in achieving the Millennium Development Goals. In that context, he looked forward to the Doha Review Conference as an opportunity to scale up assistance and improve the effectiveness of the current aid system.

14. Turning to the report of the Secretary-General on the implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries (A/63/165), he noted that many of the landlocked developing countries were not yet on track to meeting the Millennium Development Goals and their economies remained extremely vulnerable to external shocks, including, in particular, the current global economic slowdown.

15. Very high trade and transport costs remained the single biggest obstacle to landlocked developing countries' ability to increase their share in international trade. It had recently come to light that, in addition to inadequate infrastructure and long distances to market those higher costs were due largely to the inefficiency and unpredictability of the logistics chains of landlocked developing countries, which hampered productivity and lowered competitiveness, thus creating a massive disincentive to invest. National policy reforms were urgently needed to tackle those bottlenecks, and it was imperative that those countries worked together to seek solutions at the regional and subregional levels. Regional economic communities had been contributing substantially to that end by designing and implementing targeted policies for improved transit transport.

16. The Declaration of the high-level meeting of the sixty-third session of the General Assembly on the midterm review of the Almaty Programme of Action (A/63/L.3) was a comprehensive, action-oriented resolution embodying an in-depth assessment of the severe economic and social limits imposed on landlocked developing countries by their geography. Seizing the momentum generated by the review, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States was working in close cooperation with United Nations system partners on a road map that would guide activities in the next five years to accelerate implementation of that Programme of Action.

17. *Mr. Hoppe (Germany), Vice-Chairperson, took the Chair.*

18. **Ms. Houngbedji** (Benin) asked whether a strategy was envisaged to ensure that the preparatory process for the Fourth United Nations Conference on the Least Developed Countries did not impede the process for implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 adopted in Brussels.

19. **Mr. Diarra** (Under-Secretary-General and High Representative for the Least Developed Countries,

Landlocked Developing Countries and Small Island Developing States) clarified that both processes would continue without interference: the formal preparations for the forthcoming Conference on the Least Developed Countries was a two-year process that would not begin until mid-2009; meanwhile, the Office of the High Representative would continue to produce the usual reports to assess implementation of the Brussels Programme of Action.

20. **Ms. Osman** (Sudan) asked for clarification on the best way to take into account the difficulties least developed countries faced in international efforts to face the current financial crisis.

21. **Mr. Diarra** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) said that the best way to strengthen least developed countries' capacity was to raise awareness of their needs at the level of the General Assembly, for example through the initiative of the President of the General Assembly on providing policy guidance to those countries, and efforts by the Group of 77 and China and other development partners to draw attention to their special needs.

22. **The Chairperson** invited the Committee to engage in a general discussion on the item.

23. **Ms. Greenaway** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that despite the annual average growth rate of 6 per cent achieved by the least developed countries since 2000, poverty had not decreased significantly and social disparities were often greater, especially between rural and urban areas. An inclusive and holistic approach to development was needed, with a clear focus on poverty reduction and programmes that targeted poor and marginalized groups.

24. Much remained to be done in the face of declining agricultural production and productivity, increasing malnutrition, the lack of progress in achieving sustainable development targets on water and sanitation, growing income inequality, slow progress in achieving gender equality, and little or no progress in reducing maternal mortality.

25. The failure of the donor community to provide the agreed 0.15 per cent to 0.2 per cent of gross national product (GNP) as ODA to the least developed countries was a huge constraint to implementing the Brussels Programme of Action. The global food crisis would significantly hamper both national and international efforts to achieve the objective of halving by 2010 the proportion of people living in extreme poverty and hunger in least developed countries. The Group of 77 and China welcomed the recommendations of the Secretary-General on immediate and medium- and long-term responses to that situation (A/63/77-E/2008/61, paras. 83-87).

26. Duty-free and quota-free market access had not increased the share of least developed countries' exports in world trade, which, at less than 1 per cent, remained marginal, and assistance in raising productive capacities and on economic and export diversification had been insufficient. The Fourth United Nations Conference on the Least Developed Countries must conduct a comprehensive review of international support measures, particularly ODA and investment and trade, while calling for additional international measures to assist least developed countries.

27. She reiterated the need for greater support to landlocked developing countries and transit developing countries in their efforts to address the major constraints to their development, including the food, energy, climate and financial crises, and noted that progress in implementation of the Almaty Programme of Action was being impeded by such long-standing barriers to development as international trade barriers, lack of resources for investing in infrastructure and weak international support measures.

28. She welcomed the Declaration on the midterm review of the Almaty Programme of Action and hoped the agreed future actions — particularly in the critical areas of providing greater access to advanced technologies in transport systems services and technologies to improve product quality; adequate and predictable levels of ODA; technical assistance, including the facilitation of South-South cooperation in the construction, maintenance and operations of transport, storage and other transit-related facilities — would bring about an international environment conducive to enhancing national efforts to meet both emerging and long-standing challenges. The overall internationally agreed development goals and targets could only be realized through continued focus on the special needs of the most vulnerable countries and countries in special situations. She thus advocated for greater progress in implementing the Almaty Programme of Action as well as the Brussels

Programme of Action, including a comprehensive global programme of support for the least developed countries beyond 2010.

29. **Mr. Crouzat** (France), speaking on behalf of the European Union; the candidate country the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania and Montenegro; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that the European Union was one of the most significant sources of support to the least developed countries, through the major reform it had initiated in its relationship with African, Caribbean and Pacific countries, its member States' pledge to donate up to 0.2 per cent of their gross national income (GNI) to aid for the least developed countries, and the tenth European Development Fund's significant allocation to the least developed countries. Furthermore, to address the needs arising from the food crisis which affected the least developed countries in particular, the European Union planned to create an ad hoc instrument to respond rapidly to soaring food prices in developing countries which could provide them with €1 billion.

30. The European Union looked forward to the Fourth United Nations Conference on the Least Developed Countries, which would give all development partners an opportunity to jointly assess the implementation of the Brussels Programme of Action. It would also have to take into account the impact that the outcome of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus would have on the least developed countries. The European Union would do its utmost at that Conference to mobilize support for achieving sustainable development and the Millennium Development Goals, particularly the eradication of poverty, in the least developed countries, and hoped that the Conference would address the need for the least developed countries to take control of their national development strategies, build their agricultural productive capacities, and develop infrastructure. It continued to regard graduation from the least-developed-country list as a positive step in the development process, but was aware of the need to ensure a smooth transition for graduating countries so as to best prepare them for full integration into the global economy and provide continuity in development plans and programmes.

31. The European Union welcomed the adoption of the Declaration on the midterm review of the Almaty Programme of Action — which was balanced and comprehensive and would play its part in ensuring a partnership among landlocked countries, transit countries and development partners.

32. **Mr. Sorcar** (Bangladesh), speaking on behalf of the least developed countries, which aligned themselves with the statement made on behalf of the Group of 77 and China, said that increased global action was needed in order to implement the Brussels Programme of Action by 2010 and tackle the significant challenges that the least developed countries faced in striving to attain the internationally agreed development goals.

33. Comprehensive, decisive policy action was critically important in order to overcome the protracted and intense financial, oil, food and climate change crises and the impending recession which could have significant developmental impacts on the least developed countries. A sustainable solution was needed to redress the food crisis, which would drive 100 million more people into poverty and hunger, hitting the least developed countries the hardest. In that connection, the comprehensive framework for action submitted by the Secretary-General's High-level Task Force on the Global Food Security Crisis should be carefully examined.

34. Urgent and decisive action was needed to address climate change, intensified by droughts, floods and other extreme weather events, which posed a great challenge to the least developed countries, diminishing their productivity and biodiversity and seriously undermining their food and livelihood security. Developed countries must make unilateral, meaningful and unconditional commitments to reduce greenhouse gas emissions, and the international community should provide the necessary funds, in a predictable manner and from additional resources, to meet the adaptation needs of the least developed countries.

35. In the light of the decline in external assistance to the agricultural sector — a sector of great importance to the economies of the least developed countries — investment and modern technologies needed to be scaled up to enhance agricultural production. It would be important to marshal the political will to achieve the successful completion of the Doha Round and the full realization of the Doha Development Agenda through duty-free and quota-free market access and support for the productive capacity-building of the least developed

countries. All countries which had the capacity to do so should endeavour to provide such access to all products from all the least developed countries unilaterally and without discrimination, even before the conclusion of the Doha Round.

36. There was also an urgent need for trade capacity-building for least developed countries, such as through the Aid for Trade Initiative, to help them address supply-side constraints and the erosion of preferences. The Integrated Framework for Trade-related Technical Assistance to Least Developed Countries needed to be adequately funded and accession to WTO should be simplified for the least developed countries.

37. He urged developed countries to fulfil their ODA commitment of 0.2 per cent of GNI to the least developed countries by 2010, and to provide it in the form of direct budgetary support. He welcomed the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI), which should be extended to all the least developed countries. Those countries' debt should be written off without delay, and debt sustainability should be fostered through an increase in grants and other unconditional assistance.

38. He proposed that all reports of the Secretary-General on economic and social issues should dedicate a section to information and data on the least developed countries, which was critically important in the sector-by-sector analysis of the progress they achieved. Lastly, he called on the international community to provide its support and actively contribute to the Fourth United Nations Conference on the Least Developed Countries and its preparatory processes.

39. **Mr. Nasir** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), which supported the statement made on behalf of the Group of 77 and China, said that the socio-economic situation in the least developed countries remained precarious. They were unlikely to achieve the goals set out in the Brussels Programme of Action, particularly in view of the current global crises, and continued to face such constraints as rapid population growth, rapid urbanization and increased malnutrition; insufficient ODA; and a high concentration of foreign direct investment (FDI) in a few resource-rich least developed countries. Against that backdrop, a genuine partnership between least developed country Governments and their development partners should be strengthened. Moreover, the international community should support the least developed countries' own efforts to achieve the Millennium Development Goals and other internationally agreed development goals. In that connection, ASEAN looked forward to the Fourth United Nations Conference on the Least Developed Countries, to be held in mid-2011.

40. Despite their progress in implementing the actions agreed upon in the Almaty Programme of Action, landlocked developing countries continued to face high transport costs and marginalization in the international trading system. He reiterated the role of the Programme of Action as a sound global framework for enhancing strong partnerships aimed at addressing the needs of landlocked developing countries and welcomed the adoption of the Declaration on the midterm review of the Almaty Programme of Action. Viable and predictable transit systems could be established and international trade facilitated by implementing the Almaty Programme of Action and Declaration. Trade was a powerful engine for growth and development. The participation and integration of the least developed and landlocked developing countries in the world trading system should be at the heart of global efforts. Their full inclusion in WTO, meanwhile, would address their marginalization in international trade.

41. While Asia as a whole continued to experience economic growth, child and maternal mortality and tuberculosis rates in the region's least developed countries were among the highest in the world. Similarly, ASEAN, though at the centre of a dynamic Asia, was having to address fundamental challenges associated with emerging economies and societies in transition. To accelerate integration within ASEAN, various programmes and workplans had been implemented with the support of the older ASEAN member States (ASEAN-6) and the Association's dialogue partners. The ASEAN Economic Community Blueprint, concluded in November 2007, and the Initiative for ASEAN Integration (IAI) Work Plan for 2009-2015, to be adopted at the fourteenth ASEAN Summit in December 2008, would further enhance that process.

42. An efficient and integrated transport system was key if ASEAN was to integrate with the global economy, improve competitiveness and enhance FDI flows. In that regard, ASEAN attached great

importance to implementing the ASEAN Transport Action Plan 2005-2010, the ASEAN Framework Agreement on Multimodal Transport and the ASEAN Framework Agreement on the Facilitation of Goods in Transit. Protocol 1 to the latter Agreement, on the Designation of Transit Transport Routes and Facilities, would guide member States in shaping trade facilitation policies and represented a milestone in ASEAN efforts to facilitate the transportation of goods within the region. Lastly, to facilitate the free flow of goods, national single windows had been established in the ASEAN-6 countries and were being planned for Cambodia, the Lao People's Democratic Republic, Myanmar and Viet Nam.

43. **Mr. Exantus** (Haiti), speaking on behalf of the Caribbean Community (CARICOM), which supported the statements made on behalf of the Group of 77 and China and of the least developed countries, said that the least developed countries faced a wide range of challenges, including increasing vulnerability to climate change, soaring food and energy prices, the collapse of the Doha Round and the most serious global financial crisis since the 1930s. Least developed country leaders, together with their development partners, had much to do if they were to ensure the sustainable development of their countries and the well-being of their populations by 2010.

44. While the least developed countries as a group had made good progress during the Decade, only a handful had reached the target of 7 per cent annual growth set out in the Brussels Programme of Action. Moreover, growth, where it had been recorded, had not had a noticeable impact on poverty reduction but, rather, had increased social inequalities. It came as no surprise, then, that overall, the least developed countries were not on track to achieve Goal 1 of the Millennium Development Goals on eradicating extreme poverty and hunger.

45. CARICOM was extremely concerned about the impact that recent natural and economic phenomena would have on the progress made by the least developed countries. While the season's hurricanes had impacted all Caribbean States indiscriminately, the scale of the damage in Haiti, coupled with a lack of resources for reconstruction, had been particularly acute. Indeed, only four months after the protests against rising food prices, four consecutive hurricanes had destroyed tens of thousands of tons of the very crops that the Government was intending to use to mitigate the effects of the food crisis. The fact that the food crisis had caused the Government to fall earlier in the year demonstrated its ability to undermine political stability and social peace. In that regard, he stressed the special characteristics and specific needs of the least developed countries and called for urgent action to be taken, in particular a significant increase in ODA. Moreover, a reasonable portion of ODA must be allocated to agriculture to enable the least developed countries to produce enough to feed their populations.

46. With two years to go before the end of the Brussels Programme of Action, the international community must redouble its efforts and work on all fronts. The upcoming Doha Review Conference would provide an opportunity for least developed country development partners to honour their commitments under the Programme without delay. Participants in the Fourth United Nations Conference on the Least Developed Countries, to be held in 2011, must adopt another programme of action for the next decade, one that was more aggressive and contained more ambitious objectives. Development partners must assume more responsibility. Indeed, one of the reasons that the least developed countries had not performed as well as hoped was the failure by their development partners to meet fully their commitment to allocate 0.20 per cent of GNP as ODA. He welcomed the fact that least developed country growth had reached 6 per cent in some cases, but noted that the least developed countries would have achieved much more if development partners had honoured their commitments. CARICOM would make every effort to help the least developed countries overcome the unfavourable conditions they faced.

47. **Mr. Daou** (Mali), speaking on behalf of landlocked developing countries, welcomed the progress made since the adoption of the Almaty Programme of Action in 2003 — in particular, the importance which the United Nations system, intergovernmental organizations and the private sector attached to the implementation of the Almaty Programme of Action; the commitment demonstrated by landlocked and transit developing country Governments in that regard; and the establishment of transit transport corridors — but noted that landlocked developing countries continued to suffer from their landlocked status. Such status, coupled with the global economic situation and the effects of climate change, seriously undermined their efforts to achieve the

Millennium Development Goals. Moreover, despite the reforms conducted by their Governments, they were not sufficiently integrated in the international trading system.

48. Against such a backdrop, landlocked developing countries reaffirmed their commitment to the Almaty Programme of Action. Indeed, by adopting the Declaration on the midterm review of the Almaty Programme of Action, they had given renewed hope to the millions of people who dreamed of being able to transport their products as far as the sea and store them securely; to circulate their goods without restrictions; to exploit fully those sectors where they had a competitive advantage; to benefit from the opportunities offered by their full participation in global trade; and, lastly, to participate in, and enjoy all the benefits of, globalization, thereby escaping from the poverty imposed on them by the geographical situation of their country.

49. Landlocked developing countries were fully committed to accelerating the implementation of the Almaty Programme of Action; he hoped that the international community would contribute fully to its implementation too. Humankind needed to be able to benefit from all countries' potential, including that of landlocked developing countries.

50. **Mr. Liu** Zhenmin (China) said that the recent slowdown in world economic growth posed serious difficulties for the attainment of the Millennium Development Goals. The least developed and landlocked developing countries would bear the brunt of such a slowdown and faced an even more uncertain development environment than before. They should therefore receive greater international attention and support.

51. The next two years would be crucial to the achievement of the objectives of the Brussels Programme of Action. His delegation called on all countries, and the developed countries in particular, to improve market access for the least developed countries and grant them tariff and quota exemptions and to take account of the Economic Vulnerability Index, an important indicator for sustainable development, when considering those countries' graduation from least developed country status. In addition, developed countries should act swiftly to reverse the recent decline in ODA and to prevent a reduction in ODA as a result of the current financial crisis.

52. Owing to their unfavourable geographical location and the high cost of cross-border transit transport, most landlocked developing countries would be unable to achieve the Millennium Development Goals on time. In that regard, his Government welcomed the outcome of the recently concluded midterm review of the Almaty Programme of Action and would implement actively and fully the consensus reached. The international community should address the special needs of landlocked developing countries; increase the proportion of development assistance for infrastructure development; bring into play regional organizations' crucial role in coordinating cross-border transit transport policies; and scale up preferential treatment, trade facilitation and assistance for landlocked developing countries.

53. China was steadfast in its support of the least developed and landlocked developing countries. As at June 2008, it had cancelled RMB 24.7 billion in debt for 49 least developed and heavily indebted poor countries in Asia and Africa and provided them with RMB 206.5 billion in assistance, including RMB 90.8 billion in free aid. In addition, 98 per cent of least developed country exports to China enjoyed tariff exemptions. At the recent High-level Event on the Millennium Development Goals, Chinese Premier Wen Jiabao had announced six specific measures in the areas of agricultural development, food, training, debt relief, preferential treatment and energy. China and the least developed and landlocked developing countries would continue to share opportunities for development and work together to meet development challenges, in accordance with the principles of consultations on an equal footing, mutual benefit and common development.

54. **Mr. Alimov** (Russian Federation) said that the current global crises threatened the attainment of the Millennium Development Goals by countries in special situations. There was a real risk that the least developed countries would see a reduction in their access to grants and credit. In such a climate, international efforts in support of such countries must not flag.

55. The Russian Federation had been steadily increasing its support for the least developed countries. First, it had increased its financing to international

development cooperation programmes. Indeed, its annual contribution to multilateral programmes and initiatives had doubled in 2007 compared to the previous two years. Moreover, the President had recently adopted a strategy whereby federal budget outlays for development cooperation would reach $400-500 million a year in the coming years. That figure did not include debt write-offs.

56. During its presidency of the Group of Eight (G-8), the Russian Federation had promoted major international initiatives, in particular, the Global Fund to Fight AIDS, Tuberculosis and Malaria and the Global Polio Eradication Initiative. Starting in 2009, the Russian Federation would be contributing $15 million a year to the World Food Programme (WFP), $20 million a year to the World Bank Booster Programme for Malaria Control in Africa and about $1.5 million a year to the IMF programme to assist those countries hit hardest by exogenous shocks. In addition, the Russian Federation had provided considerable assistance by cancelling the debts of developing countries, particularly those participating in the Heavily Indebted Poor Countries (HIPC) Initiative. The Russian Federation had participated in the Initiative since 1997 and, to date, had cancelled or pledged to cancel $11.3 billion in African country debt. In 2006/2007, it had cancelled debts exceeding $80 billion, including $10.5 billion for Afghanistan.

57. He commended the work of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and welcomed the outcome of the midterm review of the Almaty Programme of Action. The Russian Federation was actively and creatively implementing the Programme of Action by proposing comprehensive measures aimed at developing transport flows on the Eurasian continent. In that connection, he acknowledged the positive role being played by the Economic and Social Commission for Asia and the Pacific (ESCAP) and the United Nations Economic Commission for Europe (ECE) in implementing large-scale projects aimed at establishing international transport corridors.

58. **Mr. Iziraren** (Morocco), recalling the midterm comprehensive global review of the implementation of the Brussels Programme of Action conducted in 2006 and the Cotonou Strategy for the Further Implementation of the Brussels Programme of Action, said that, even though the least developed countries had demonstrated a genuine desire to improve their socio-economic indicators, their chances of achieving either the objectives of the Brussels Programme of Action or the Millennium Development Goals by 2015 were slim. Indeed, their capacity for development continued to be limited by a number of challenges. The international community must act urgently to prevent their situation from deteriorating any further. The current crisis would only worsen their socio-economic situation and reverse the progress made thus far. First and foremost, developed countries must honour their commitment to allocate 0.2 per cent of GNP as ODA.

59. Most of the least developed countries relied on commodity exports. Economic diversification was the only way for them to achieve sustainable growth. To that end, the international community must scale up ODA and FDI, facilitate technology transfer and improve market access. The international community should help the least developed countries lay the foundations of a competitive economy in an increasingly liberalized global trading system. It must create a virtuous circle in which they fostered their own development. Indeed, despite the efforts made thus far, their share in global trade remained insufficient.

60. Morocco had always supported international initiatives in favour of the least developed countries and called for their effective implementation. It had initiated partnership and cooperation programmes with the African least developed countries, cancelled their debt and offered them duty- and quota-free market access.

61. The failure of WTO negotiations and the delays in implementing the Doha Round and the Aid for Trade Initiative would compromise the least developed countries' chances of integrating into the global trading system and meeting their development goals. Trade-related assistance to those countries must be independent of the outcome of the Doha Round.

62. The least developed countries were least responsible for climate change and environmental degradation, but most affected by their impact and least equipped to respond to climate-related challenges and natural disasters. The international community must find viable solutions to the negative impact of climate change on the least developed countries' development prospects.

63. Lastly, he welcomed the decision to convene the Fourth United Nations Conference on the Least Developed Countries. He hoped that the international community would adopt ambitious commitments and mobilize the resources needed to implement them, with a view to helping the least developed countries meet their development goals.

64. **Mr. Al-Fayez** (Saudi Arabia) said that international cooperation was more urgent than ever to ensure that international trade would continue to serve as an engine of development. The Saudi Fund for Economic Development, which over the years had provided a total of 12 billion rials in grants for development projects and poverty reduction, had rescheduled or cancelled many loans. His Government had contributed to IMF debt-relief initiatives while at the same time issuing new loans to States undergoing emergencies. Given global advances in technology and agricultural production, extreme poverty and hunger were unacceptable. The international community should focus on putting an end to them, as well as on renewing efforts to ensure the flow of resources necessary for development programmes to continue. Although a developing State itself, his country had shouldered its responsibility to contribute to both regional and international development. In conclusion, he stressed the role of the United Nations, and in particular the Economic and Social Council, in supporting international cooperation for development and ensuring ownership of development programmes by developing countries.

65. **Mr. Bakyono** (Burkina Faso) said that despite their commitment and the significant progress they had achieved since the Third United Nations Conference on the Least Developed Countries, the least developed countries faced enormous obstacles, aggravated by the food, financial and energy crises and by climate change. The result was deepening poverty and even greater difficulty in meeting the agreed development goals. The international community must therefore continue to seek ways to support the development policies of groups of affected countries. Initiatives such as the Monterrey Consensus, the Almaty Programme of Action and the Millennium Development Goals (MDGs) reflected a willingness to address development issues and support vulnerable countries, but their effective implementation remained problematic. Rapid action should be taken to avoid compromising the important achievements that had been made.

66. Any reformulation of the development initiatives for countries in special situations should be agreed to by all partners, in particular with regard to existing commitments. Eradicating poverty for as many people as possible would guarantee a world of peace and security. As globalization meant that the futures of the North and the South were intertwined, attention should be focused on the most vulnerable groups in order to achieve a more equitable society. The genuine concerns of the least developed countries with regard to agriculture, infrastructure, international trade and development assistance must be taken into account. More fruitful cooperation between landlocked and transit developing countries and their neighbouring coastal countries was key to facilitating trade and developing integrated regional transport networks. The necessary progress, especially in rural areas, could only be made by joining forces and strengthening partnerships.

67. **Mr. Motter** (Observer for the Inter-Parliamentary Union) said that achieving the broad objectives of the Brussels Programme of Action would require improved governance in the countries concerned. Parliaments could and should play an important role in creating a propitious environment for the realization of the objectives of the Programme and for effective sustainable development. The Brussels Programme of Action and the MDGs gave parliaments an opportunity to make a real impact on the lives of their people. Nevertheless, most parliaments in the least developed countries were dominated by the executive arm of their Governments and were often beset by inefficient practices and a lack of resources and skills, preventing them from fully exercising their oversight and legislative functions. The situation was aggravated by the fact that many parliaments in least developed countries were operating in conflict and post-conflict contexts and were therefore obliged to divert their attention to restoring normalcy to their countries at the expense of any long-term development planning. Those discrepancies needed to be corrected.

68. The Inter-Parliamentary Union (IPU) was pleased to be working with the United Nations, particularly with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, in a bid to address some of the challenges faced by parliaments

in the least developed countries. IPU efforts focused on building strong coalitions within those parliaments to tackle governance issues and incorporate the objectives of the Brussels Programme of Action into appropriate national development strategies.

69. A project seeking a more active role for parliaments in raising awareness about the Brussels Programme of Action had been jointly developed by IPU and the Office of the High Representative. The project had begun with a meeting of 10 pilot parliaments held in the United Republic of Tanzania in December 2007, assisting participants in developing support groups and establishing contact with national focal points and United Nations field representatives. Parliaments needed to be proactive in overseeing development assistance, ensuring that it corresponded to the real needs of society and did not reflect solely the perceived priorities of donors. In its next phase, the project would be rolled out to include all the parliaments in the least developed countries. In addition, IPU was carrying out two case studies to illustrate how parliaments interacted with the donor community to help improve the effectiveness of ODA at the country level.

70. In addition to cooperating on that project, IPU was pleased to be involved in the preparatory process for the Fourth United Nations Conference on the Least Developed Countries to be held in 2011. In that regard, IPU would facilitate interaction at national and regional levels, organize a global forum whose outcome would feed into the Conference and continue to contribute to inter-agency consultations. As stated in the report, the preparatory process should be informed by the principles of genuine partnership and country ownership, and IPU was coming to the table in that spirit.

71. **Ms. Houngbedji** (Benin) said that the Brussels Programme of Action had proposed measures to reverse the characteristic weaknesses of least developed countries and promote sustained economic growth and development. However, two years before its end date, and with a worsening global economic climate, one could not help but wonder how the situation of those countries could improve and how to achieve the MDGs, particularly their poverty reduction targets.

72. The worsening international financial crisis affected all members of the international community and its consequences would hinder development in the least developed countries. The problems in the international financial markets called for more effective global oversight and for preventive measures to protect the global economy. In particular, the IMF practice of imposing conditionalities on poor countries stood in stark contrast to its inability to persuade certain disordered developed economies to behave properly.

73. The development model that had been imposed thus far was not viable in the long term and did not benefit all levels of society. The time had come to tackle the obstacles to country ownership of development strategies. Benin, like other least developed countries, had insufficient financial resources to meet its commitments. Its efforts to achieve the objectives of the Brussels Programme of Action were still impeded on many fronts. Development of the production capacities of the least developed countries was therefore critical. In that regard, the Office of the High Representative should monitor the implementation of the Brussels Programme of Action by United Nations agencies and other competent multilateral organizations more closely, and facilitate the effective participation of the least developed countries in the relevant multilateral bodies. Perhaps the Office of the High Representative could organize meetings to help the least developed countries understand the current crisis and determine what action to take.

74. The least developed countries needed the support of the international community as they strived to achieve macroeconomic stability, accelerate economic growth, improve living conditions for their people and eradicate poverty. In confronting the current financial crisis, the international community should continue to take account of the specific needs of the least developed countries so that they would not be marginalized. If the Western countries could mobilize billions of dollars to address the crisis at home, they clearly had the necessary resources to extend that solidarity to the least developed countries and should do so in a timely manner.

75. **Mr. Choisuren** (Mongolia) said that while landlocked developing countries around the world shared many similar problems and challenges, regional and subregional peculiarities must be taken into account if the Almaty Programme of Action was to be effectively implemented. Despite progress in the area

of transit transportation, landlocked developing countries remained fundamentally marginalized in the global economy. The Doha Round of multilateral trade negotiations had the potential to enforce the simplification and favourable treatment of trade by landlocked developing countries. Trade facilitation negotiations presented an opportunity to set the necessary international rules and standards. Consideration should be given to negotiating a separate multilateral agreement on issues covered by Article V of the General Agreement on Tariffs and Trade (GATT).

76. The landlocked developing countries' share of world exports remained very low and consisted primarily of commodities. In Mongolia, transit transport costs through neighbouring countries amounted to 7 to 8 per cent of GDP. With a view to promoting a comprehensive subregional agreement to harmonize transit regulations and reduce costs, Mongolia had initiated a tripartite framework agreement on transit transportation with the Russian Federation and China. Once concluded, the agreement would provide a legal framework for efficient transit systems to and through Mongolia by allowing freedom of transit by all modes of transport and promoting the simplification, harmonization and standardization of customs and administrative procedures and documentation. An effective regulatory framework and enabling environment would also reduce non-physical barriers to international trade. During the Thematic Meeting on International Trade and Trade Facilitation, held in Ulaanbaatar, many delegations had highlighted the obstacles that remained.

77. In an effort to improve customs operations, Mongolia was party to the main international conventions on the matter and had amended or adopted various laws to bring its domestic legislation into line with them. Mongolia had also become a party to the Intergovernmental Agreement on the Trans-Asian Railway Network and other core instruments related to international transportation. Those agreements provided for exemption from the payment of customs duty securities, simplified procedures and domestic tariffs and fees for the use of port facilities and transport infrastructures; however, bureaucracy, unexpected delays, loss or damage to cargo and inadequate road transport safety interfered with the enjoyment of those favourable conditions. Mongolia had introduced electronic procedures to simplify customs operations and increase their transparency. Information and communications technologies not only helped facilitate trade through automation but also fundamentally changed the concept of customs services.

78. Regional and international cooperation was crucial to ensuring the effective implementation of the Almaty Programme of Action. Mongolia fully endorsed the provisions of the Declaration on the midterm review of the Almaty Programme of Action (A/63/L.3) and commended the considerable efforts of United Nations organizations, particularly the Office of the High Representative in coordinating system-wide activities to promote implementation.

79. **Mr. Ishize** (Japan) said that his country attached great importance to the least developed countries in determining how to channel its assistance. With the target year of 2010 for halving the number of people living in extreme poverty and hunger in the least developed countries approaching, it was time to renew and reaffirm the collective will to address the particular needs of those most vulnerable countries. His Government was committed to continuing its assistance to the priority sectors of the least developed countries. For that to be truly effective, however, country ownership and the partnership of the international community were vital.

80. Economic growth must be balanced and benefit as broad a range of citizens as possible. Development policy should emphasize human security, a tool for ensuring and enhancing the sustainable development of a country by protecting and empowering individuals and their communities. In recent discussions, violent conflict had been determined to be one of the root causes of poverty. Unless the international community united to prevent new conflicts and the recurrence of old ones, the global target of ending poverty would never be achieved. A holistic approach was needed and Japan was ready to engage in creative and constructive discussion to that end, including in its capacity as Chair of the Peacebuilding Commission.

81. Landlocked developing countries had achieved remarkable progress over the previous five years, according to the report of the Secretary-General on the implementation of the Almaty Programme of Action (A/63/165), though much remained to be done. The international community had demonstrated its resolve to support landlocked and transit developing countries

at the High-level Meeting devoted to the midterm review of the Almaty Programme of Action and should maintain the same spirit of cooperation in implementing the Almaty Programme of Action and the recommendations contained in the Declaration on the midterm review of the Almaty Programme of Action.

The meeting rose at 1 p.m.